

# AGRICULTURAL MARKETING



*Beauty and  
the Beast*



AUGUST 1966

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# The Pennsylvania Lamb Story . . .

*A matching fund project that won the USDA Superior Service Award for its sponsor—the Bureau of Markets of the Pennsylvania Department of Agriculture.*

**H**OW CAN A STATE SET A failing agricultural industry on its feet? Here's how one State went about it. First came a resolution for hard work and serious planning. Next was a consultation with the U.S. Department of Agriculture's Consumer and Marketing Service for help.

C&MS administers the Matching Fund Program, a Federal-State self-help program in which State funds are matched by Federal funds for programs in quality improvement, market development, marketing efficiency, and market information and structure.

Out of consultations between the Matching Fund Program staff and representatives of the Pennsylvania Bureau of Markets came the solution to a problem—the Pennsylvania lamb marketing and promotion project. This project was so successful since its start in 1962 that the Bureau of Markets of the Pennsylvania Department of Agriculture won the USDA Superior Service Award this year for its role in the marketing project.

The conditions in the lamb industry in Pennsylvania that prompted action were not unique. A study made by specialists of the Bureau of Markets revealed a lack of competition among buyers, an inadequate product standardization and grading system, and weak lamb pools. Lamb raising was just a sideline for most of the State's farmers since a decline after World War II.

The plan drawn up by the Bureau of Markets in cooperation with C&MS called for a four-pronged attack on the problem:

- reorganization and strengthening of the lamb pool system and institution of competitive bidding;
- use of U.S. standards for lamb grading;
- coordination of efforts of all agencies interested in lamb marketing;
- a "Lamb-B-Q" consumer promotion.

The plan was not unique either, except that it involved a great deal of cooperation—with industry, State agencies, and Federal programs. Some of the

organizations working with the Bureau of Markets were the State Sheep and Wool Growers Association, the Cooperative Extension Service, the American Lamb Council, and the National Meat and Livestock Board.

The results of this cooperative project were many:

- the competitive bidding assured producers of the top dollar;
- the Federal-State grading service assured a fair grading and fostered buyer-seller confidence;
- heavier lambs of higher quality were being offered at the pools;
- new marketing channels were opened to the small lamb producers;
- consumer demand was stimulated successfully to meet the increased marketings.

The Pennsylvania lamb project serves as a case history worthy of study by other commodity groups. It is a good example of how creative cooperation can make the most of the time, money, and resources available in putting an industry on its feet.

ORVILLE L. FREEMAN  
*Secretary of Agriculture*

S. R. SMITH, Administrator  
Consumer and Marketing Service

Editor, James A. Horton  
Writer-Editor, Devra L. Simon

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## COVER PAGE

Your Federal meat inspector might well be a blonde—like the one gracing this month's cover. See page 7.

(Photo by Dick Weddle, St. Louis Globe-Democrat.)

Effective with the September issue, material concerning marketing research will not appear regularly in AGRICULTURAL MARKETING magazine. Marketing research articles will be published in AGRICULTURAL RESEARCH magazine of the Agricultural Research Service, USDA.



*Before hurricane winds start blowing, potential victims should be aware of sources for relief—like the commodity warehouse above housing USDA food.*

## BEFORE THE HURRICANES STRIKE

**H**ILDA IN 1964—BETSY in 1965—These hurricanes left thousands of people without food or cooking facilities. Yet there were no reports of anyone suffering from hunger. This rather remarkable feat—keeping half million or so people fed on an emergency basis—hinged on two factors: The availability of food donated by the U.S. Department of Agriculture and the efficient use of this food by local workers and disaster-relief organizations to feed the hurricane victims. Local efforts depended heavily on a plan set up by the Louisiana Departments of Education and Welfare.

Another hurricane season is here. Again, the U.S. Weather Bureau has selected names to identify hurricanes that may develop this season in the South Atlantic and Caribbean, or in the Gulf of Mexico. And again, if destructive hurricanes occur, disaster-relief organizations and local workers can lean heavily on USDA's Consumer and Marketing Service and cooperating State distributing agencies for the food needed to feed the displaced and the homeless. To make maximum use of USDA food, any person connected in any way with disaster-relief needs to know where this food comes from and how it can be obtained when needed.

USDA acquires food through its price-support and surplus-removal programs. The food, suitably processed and packaged for home and institutional use, is then shipped in carload lots to

participating States and U.S. territories. State agencies then take over the management and distribution of the food to local communities. The communities make final distribution to eligible recipients—needy families, charitable institutions, schools, and nonprofit summer camps for children.

USDA food can always be diverted to feed victims of natural disasters. They are generally available from school lunch storerooms, institution storerooms, needy family distribution depots, or local warehouses either owned, leased or arranged for by a State, city, or county.

Still another source of USDA food is shipments in transit that USDA may divert to benefit a disaster area.

Any food used for emergency feeding is quickly replaced by USDA so the everyday distribution programs can continue to fulfill their missions.

Using USDA food to feed victims of a natural disaster is an excellent side-benefit from a program designed primarily to benefit needy children and adults.

Here is how a State reacts to minimize the suffering that an impending hurricane may cause:

While communication lines are still open, people in the path of the hurricane are instructed to leave their homes and flee to high ground and "to head for a schoolhouse."

Local school lunch managers are urged to fill out their storeroom needs

with USDA foods. These foods are used first when feeding begins and are supplemented and replaced as needed.

The State department of education alerts local school superintendents and school lunch managers to use USDA-donated foods, and to gear the kitchens for mass feeding.

The State department of public welfare alerts local welfare offices to ready USDA food for distribution to emergency shelters and needy families.

District representatives of USDA's Consumer and Marketing Service keep in touch with developments. They are prepared to divert USDA food shipments as necessary and to render other services. They are assigned and re-assigned if emergencies and bottlenecks develop.

Storm victims are fed free of charge. Experienced Federal and State distribution officials keep feeding operations rolling. Feeding sites seldom lack donated foods.

Properly certified disaster victims can receive USDA food to help re-establish themselves. Post-emergency food distribution has lasted from 30 to 90 days.

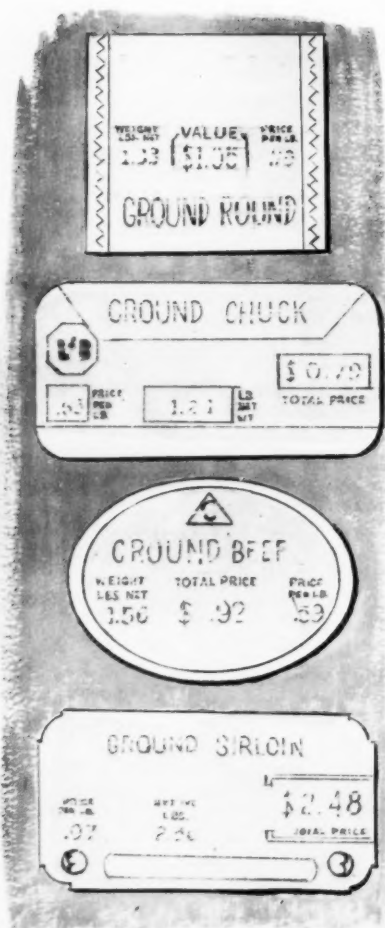
These early alerts and procedures have proved effective in the past. They should prove effective again, if hurricanes Alma, Becky, Celia, Dorothy, Ella, Faith, or others strike our mainland. The names are among the 21 selected by the U.S. Weather Bureau to identify hurricanes in 1966.



# WHAT THE LABEL MEANS

## On the Hamburger You Buy

By Nancy Duckworth



**T**HAT ALL-TIME MEAT favorite—commonly called “hamburger”—can be one of the greatest food-budget-stretchers.

But, what should you buy—hamburger, ground beef, ground chuck, ground round, or ground sirloin?

The U.S. Department of Agriculture's Consumer and Marketing Service points out that each of these names on the label on a package of ground meat has a distinct and different meaning.

And, knowing the right meat to buy for the dish you plan to serve will not only save you money, but will also result in a more satisfying, delicious meal.

The first step in becoming a truly “penny-wise” shopper is knowing a little about ground meat in general. With the exception of ground round or sirloin, it is generally made from less tender and/or less popular cuts of beef. This does not mean that ground meat is any less wholesome or nutritious.

Nutritionally, all beef meat—regardless of the cut—has the same amount of protein, vitamins, and minerals. While the percentage of fat in the meat will have some effect on the total amount, the degree of difference will be relatively minor since the fat itself also contains some protein, vitamins, and minerals.

Because ground meat is so popular, supermarkets and grocery stores cannot get enough meat from a carcass of beef to fill the demand after they remove the steaks, roasts, etc.

Consequently, they must supplement their supply by purchasing less tender meats or less popular wholesale cuts

specifically for grinding into ground meat. In fact, a specialized segment has grown up in the meat packing industry which buys carcasses and removes the meat from the bones for sale as frozen-boneless blocks of beef to be processed into various meat products. A lot of this goes into hamburger.

If the meat is distributed across State lines, processing of the animal, the carcass, and the boning operation must have been done under the careful scrutiny of Federal meat inspectors to insure its wholesomeness.

Since most “hamburger” is ground in the store where it is sold to maintain freshness, this grinding is not subject to Federal inspection. However, many State laws require that a window be located in the store's meat cutting department so the customer can see how much fat or what cuts of meat are being ground.

C&MS points out that a certain amount of fat—between 15 and 30 percent—is necessary in ground beef to provide tender, juicy and flavorful cooked meat. Lower amounts of fat tend to produce dry, crumbly and tasteless meat.

Federal regulations, and in some cases State laws, set a limit on the maximum amount of fat that can be included in products labeled hamburger or ground beef and sold as Federal or State-inspected meat.

For instance:

Hamburger can contain up to 30 percent fat, which may include the addition of beef fat over and above that attached



*What should you buy—hamburger, ground beef, ground chuck, ground round, or ground sirloin? Each has a distinct and different meaning.*



to the meat being ground. It *can not* contain extenders such as non-fat dry milk, soybean products, cereals, water, etc., and still be labeled as regular hamburger.

While regular ground beef can also contain up to 30 percent fat, retailers frequently limit it to 20 to 25 percent since only that fat which is normally on the meat can be used. Additional fat cannot be added to ground beef as in hamburger, nor can extenders be added.

The result is that hamburger may tend to shrink more in cooking than ground beef. This quality difference helps justify the slightly higher price per pound paid for ground beef.

Both hamburger and ground beef, however, are made from boneless chunks of less tender beef along with the less popular cuts such as neck meat, stew cuts, the plate, brisket, flank, shank and trimmings from boned roasts.

While they can be used for "hamburgers," they are best when used in combination with other items such as in meat loaves, casseroles, meat sauces, and many foreign dishes such as Italian and Mexican specialties.

Ground chuck is meat from the shoulder or "chuck" of the animal. The chuck is more popular than the cuts of meat used in regular ground beef, so it is usually higher priced. It is slightly leaner, 15 to 25 percent fat, and shrinks less in cooking than regular ground beef. Because of this, it is especially good for use in patties.

Ground round is just what its name implies—ground-up round steak. Fed-

eral inspectors point out since round steak has a fat content of only about 11 percent, it may not be as desirable for grinding and use in patties.

However, ground round may be used by many people on low-fat diets. Its best use is in combination with other ingredients that add moisture to the meat such as in meat loaves, casseroles or meat sauces rather than as broiled "burgers."

Ground sirloin, of course, comes from the very popular sirloin steak and likewise commands a high price. It has the rich, fine, meat flavor of steak and, indeed, makes a king of a "hamburger."

But why grind this delightfully tender, juicy cut of meat . . . that is unless modern dentistry has not given you the ability to enjoy it as a steak!

If you like to buy cuts with less fat for grinding such as the top or bottom round or a closely-trimmed sirloin tip, ask your butcher to add a little beef suet to it. This will give you a juicier product.

No matter which kind of ground meat you buy—for more tender and juicy results—cook the meat only to the medium stage even if it is put into casseroles or sauces. And, don't try to flatten meat patties while they are cooking. This will squeeze out those precious meat juices and flavor.

When buying ground meat, look for that which has a bluish red color. This indicates that the meat has been freshly ground.

Remember, too, that ground meat is more perishable than steaks or roasts because it's been ground and more of

the meat's "surface" is exposed. C&MS suggests that you purchase only that amount that can be used in two days unless you have a freezer. Remove the store wrappings and cover lightly with waxed paper. Store it in the coldest part of the refrigerator, and use as soon as possible.

For longer storage in a freezer, try freezing the ground meat in patties. For easy separation, put two layers of waxed paper between each patty. Then wrap the patties in freezer paper or in plastic bags and freeze at 0° F. The frozen patties can be stored this way from 2 to 3 months.

The patties thaw quickly and are handy even if you intend to use them in meat loaves or casserole dishes. Or, they can be cooked from the frozen state for hamburgers.

However you serve it—Swedish meatballs, Italian lasagna, Mexican tacos, German stuffed cabbage rolls, Russian stroganoff or good old American hamburgers—knowing what the name on the label of ground meat means will help you make the best buy.

And, if it has the circular mark of Federal meat inspection on the package, you'll get an added bonus in knowing that the meat is wholesome, unadulterated and truthfully labeled.

*The author is a Home Economist on the Labels and Standards Staff, Technical Services Division, C&MS, USDA.*

To protect food going to U.S. troops in Southeast Asia and elsewhere . . .

## C&MS inspects PALLETIZED Food Units

By Dale C. Dunham

**M**EN—WEAPONS—FOOD. All are crucial in the fighting in Southeast Asia.

The method of handling food is also crucial—to insure delivery in proper condition and to conserve money and manpower enroute.

Most non-perishable food supplies procured for military subsistence are now being shipped as "palletized units" in a special type of encasement—one of the latest innovations in food transportation.

A typical unit, weighing around 2,300 pounds, might consist of 54 cases of canned food—all glued together, bonded to a 48 by 40-inch wooden pallet base, and covered by waterproof polyethylene shroud, fiberboard sheathing, and steel straps. The entire unit can be assembled at a U.S. packing plant, shipped to Viet Nam, then air-lifted by helicopter to a jungle supply station—completely intact.

If it isn't intact—due to broken pallet boards or other defects—corrective measures are needed. This can be an expensive time-consuming process, with a risk of a food supply shortage occurring in the interim.

Because the Department of Defense simply can't afford to handle unprotected food supplies, it has set construction and assembly requirements for palletized unit loads—and for the pallets themselves—that packer-suppliers have to meet.

Food inspectors of the U.S. Department of Agriculture's Consumer and Marketing Service are now conducting the inspections in food packing plants and in pallet manufacturing plants. Packers with military contracts pay a nominal fee to C&MS for the inspection service.

It's a big, new important job for C&MS inspectors—done in conjunction with the inspections they have regularly made of non-perishable processed food shipments procured by the Defense Department for subsistence, to see that

the foods measure up to contract requirements for quality, packaging, and marking.

Two new types of inspection are involved: one of the individual pallets, to make sure they're acceptable before using them in "unitized" loads, and another of the "unitized" loads themselves to ensure proper assembly.

Inspectors select a representative sample, which generally includes five pallets and five unit loads from each portion of a contract offered for inspection. They check the design of the pallets, the type and quality of wood used, and the nails and method of nailing.

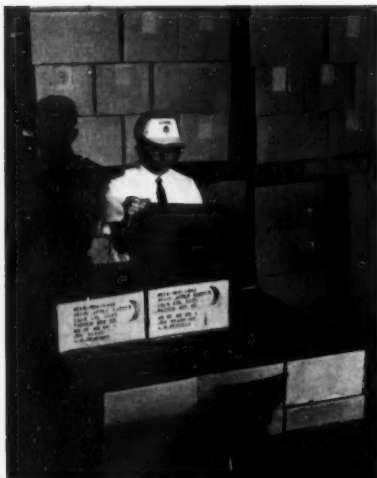
They're on the lookout for such defects as excessive bark, splits in the wood, knotholes, improper spacing of boards, missing nails, exposed nails, decay in the wood, and boards that are too short.

When inspecting "unitized" loads, inspectors check for such defects as improper application of the adhesive used for bonding the cases to each other and to the pallets, use of wrong loading patterns or techniques, loads that lean to one side, and cases that aren't properly positioned against adjacent cases.

Before arriving at an overseas destination, a palletized unit load is normally handled 20 to 30 times. Once the load arrives and is disassembled, the pallets often are stored outdoors for later use. Thus, they must be able to withstand plenty of rough treatment and adverse weather.

C&MS inspectors are helping pallet manufacturers do a better job of construction, and helping food packers take greater care in assembling unitized loads—with the result that food shipments can move to overseas military installations faster and in better condition.

*The author is a staff member of the Fruit and Vegetable Division, C&MS, USDA.*



C&MS inspector disassembles a sample palletized unit to see that cases are properly glued together and bonded to pallet.



Here he measures the spacing between deck boards of pallet. This improper spacing, is considered a construction defect.



A GROUP OF MEN WORK rapidly with flashing knives preparing 600-pound beef carcasses that will eventually wind up on dinner tables across the country.

Amidst all this stands a Federal meat inspector, whose job of protecting the American consumer from unwholesome meat demands quick and accurate judgment, a long training period, and many long hours of standing to inspect each animal before, during, and after slaughter.

The badge-wearing Federal inspector, dressed in a white coat and hard hat, is found in all packing plants which ship meat in interstate or foreign commerce.

But long blonde hair is seen under the hard hat of this meat inspector, as she is one of several women who are performing vital public services as meat inspectors alongside men in the U.S. Department of Agriculture's Consumer and Marketing Service.

Just like the defense industry's "Rosie the Riveter," the first women meat inspectors were hired by USDA to fill gaps caused by manpower shortages during World War II. But some of them continued their jobs after the war. More have joined the meat inspection ranks, until now there are 14 women Federal meat inspectors.

Naturally, the women inspectors—one-third of whom are veterinarians and the others highly-trained lay inspectors—met with a few problems and quite a bit of kidding when they first entered a packing plant accustomed to male inspectors.

"I'd like you to treat me just as you would any other man," is what Dr. Lois E. Hinson told the head of the meat establishment when she took her first job as a USDA veterinary meat inspector in 1952. The word got around, and—when it comes to her work at Ocala, Fla., as the only woman Veterinarian-in-Charge among nearly 800 men in comparable positions—she's been treated equally every since.

Actually, Dr. Hinson was accustomed to breaking all-male traditions, as she was the first woman graduate from the University of Georgia in veterinary medicine, and was a woman Marine.

Another woman meat inspector, Cleo E. Lucas of Moultrie, Ga., cut her baby teeth on her father's meat inspector badge. Her father retired in 1955 after 44 years of service on USDA's meat inspection and meat grading staffs, and Cleo's brother is a meat inspector in Los Angeles.

She was one of the original seven women appointed as meat inspectors in 1942, and continued in the job until 1946

# Women MEAT INSPECTORS

By Dr. Joseph S. Stein

*Dr. Stein is Acting Director, Livestock Slaughter Inspection Division, C&MS, USDA.*

when she married a young veterinary meat inspector who became Inspector-in-Charge at Moultrie. She returned to meat inspection in 1956 after her husband's death.

Mrs. Ara Grayson, a slender, personable grandmother, moves about her job in a Stockton, Calif., plant as easily and gracefully as if she were conducting operations in her own kitchen.

It was strictly a masculine world in the operations at the Stockton plant when Mrs. Grayson arrived in late 1965 after months of training, but the management says there was no difficulty adjusting to the assignment of a lady meat inspector.

Dr. Jackie W. Horton, a veterinary inspector in Dallas, Tex., is also "one of the boys" when it comes to inspecting

meat, but is every inch a young lady in other respects.

Jackie will wrangle a critter like the best of inspectors, if that's what the situation calls for. Usually, though, she says proper equipment, trained help and cooperation make it possible for her to maintain feminine poise.

Another veterinary meat inspector, Dr. Karen Group of St. Louis, Mo., believes that her problems have been no more than those of her masculine counterparts in other plants.

While not looking for any special treatment as a woman, Dr. Group finds she receives it from plant employees anyway. "For instance, they often sharpen my knives for me."

Miss Carolyn George, Federal meat inspector in New York City, got into meat inspection through her interest in public health, especially as it applied to food inspection. When she's not inspecting meat, the attractive 26-year-old enjoys sketching, painting, playing the guitar, and snorkeling.

Miss George is also accustomed to competing with men, as she was employed by the New York City Parks Department as a recreational facilities director at a zoo for children—a position usually filled by men.

These women, and the other eight employed as meat inspectors in USDA's Consumer and Marketing Service, have diversified backgrounds and experiences. Yet, they all have one thing in common with almost 4,000 male meat inspectors—a dedication to protecting the public from unwholesome, adulterated, and deceptively labeled meat.

*Carolyn George, Federal meat inspector in New York City, puts the Federal stamp of inspection on these carcasses. Women inspectors were first hired during World War II and now total 14.*





# A MARKETING AGREEMENT OR ORDER?

How does each work?

*By Harold Breimyer*

**A** MARKETING AID THAT has been found useful for 30 years—that is one way to look at marketing agreements and orders. For that long a time producers of several fruits, vegetables, and nuts, and of fluid milk have made use of agreements and orders to help them market their products better.

Agreements and orders are a special kind of cooperation in marketing. They are cooperation under private sponsorship with a boost from the U.S. Department of Agriculture (from State departments of agriculture in State orders). Each agreement or order calls for one or more specific actions. These may range from setting quality standards for vegetables shipped, to regulating the rate of fruit shipments during a season, to pooling fluid milk for a uniform market-wide price.

Whatever the particular action called for, the overall aim is to bring more stability and orderliness to marketing.

As a push is on to make all marketing more regular and orderly, do agreements and orders have something to offer to

other commodities? Is a good bet being missed?

## Birth in Depression

Marketing agreements and orders date back to depression years. Several farm groups turned to them as a way to take unified action in marketing, notably to stabilize the quantity and quality of products shipped and, in the case of fluid milk, to stabilize seasonal prices and divert surplus to manufacturing uses. However, agreements and orders had their biggest growth after World War II. At mid-1966, 73 fluid milk orders and 47 fruit, vegetable and nut programs were in effect, along with one tobacco program.

Even though marketing agreements and orders have some of the characteristics of cooperative marketing, they are in no sense a rival to farmers' marketing cooperatives as organized under the Capper-Volstead Act. On the contrary, agreements and orders often complement the work of established farmer co-

operatives, and contribute to their success.

But like all farmer cooperation, agreements and orders have the important feature that they make it possible for agreed-on action to be taken while preserving the independent status of each cooperator.

## Agreements vs. Orders

Both agreements and orders are given force at the marketing channel through which products move. They are applied principally to handlers. But therein lies the first difference between agreements and orders: an agreement is entirely voluntary; it applies to, and is binding upon, only those market firms that sign it. An order, once placed in effect, is binding upon all handlers, irrespective of whether they have signed an agreement.

The second difference is that agreements offer almost unlimited scope as to use—either as to commodities or as to kind of action. Orders, by contrast, are limited by law to particular commodities



and particular actions. However, the eligibility list has not been highly restrictive, as commodity groups wishing to utilize orders have often been successful in obtaining legislative authority to do so.

Orders have been used more than agreements. The only agreement in force (except in conjunction with orders) is one for the marketing of peanuts.

Orders have been preferred because their feature of applying to all marketings makes them more effective. They prevent a handful minority from interfering with or offsetting the accomplishments of the majority.

However, to protect against unwarranted use of the compulsory feature of marketing orders, the law prescribes three safeguards. One is to require that to be effective an order shall be approved by two-thirds of producers, or by producers of two-thirds of the volume of production. For California citrus the percentages are even higher. Most fruit and vegetable orders in force have also been approved by at least half of the handlers (more for California citrus). A second safeguard arises from the public hearing procedure, which provides for public notification and discussion of proposed orders. A third is that the Secretary of Agriculture must examine every proposed order, or amendment to an existing order, to determine whether it is in the public interest. If it is not, he disapproves it.

### Regional vs. National Orders

Virtually all marketing agreements and orders entered into to date have been confined to a single region or, at the most, have linked separate regions (as in the cranberry order). They appear to be best suited to regional organization, but broader, even national, coverage is not ruled out.

### Orders for Orderliness

Marketing agreements and orders are less a program than a tool. They are an aid to marketing that can be used or left unused, according to their applicability to each marketing problem. And provisions of each agreement or order can be

tailored to the needs in each case—with, of course, the limits set by law.

As they are a sort of stand-by resource, agreements and orders will be employed only insofar as they can actually contribute to better marketing. Yet they have been employed with growing frequency, and the prospect is that they will be utilized more in the future than in the past.

There are three reasons for this prospect.

First, agreements and orders can help to solve some kinds of marketing problems. Marketing has long been the weak link in agriculture. When small independent farmers produce perishable or semi-perishable products over a wide territory, they find it difficult to deliver those products in the orderly fashion the marketing system demands. As they incur difficulty their negotiating position weakens, and then their income dips.

Moreover, the marketing system is becoming ever more demanding. It in-

*The author is Staff Economist,  
C&MS, USDA.*

sists on a more orderly supply of products. It wants products more standardized and dependable as to quality, and more evenly spaced as to time of delivery. Various parts of the marketing system are moving to attain that orderliness directly—by taking over control of production and marketing.

Marketing agreements and orders offer a way for producers of a commodity, primarily on a local or regional basis, to attain more orderliness in marketing while retaining managerial control.

Second, agreements and orders are a flexible aid. They offer a wide repertory of possible actions. As stated above, the range of possibilities under agreements is almost unlimited. The choice under orders is narrower. Federal law confines Federal milk orders mainly to market-wide classified pricing, plus the setting of rules against unfair trade practices in relations between producers and handlers, pooling and record-keeping, and similar matters. For other eligible commodities the choices under Federal law are:

- quality regulation—limitations on

grade, size, quality or maturity of product that may be shipped

- quantity-flow regulation—control of volume or rate of flow within a season, or storage or diversion of part of a harvest
- standardization of containers or packs
- regulation of trade practices
- price posting
- research, market development, and providing market information

For a few fruits and vegetables, the Federal law now adds market promotion and paid advertising to the list of permissible activities. However, commodity promotion and advertising are more generally conducted under State orders in the several States that have an order law.

The third reason for expecting broader use of agreements and orders is that they offer a unique relationship between commodity organizations and government. The initiative for proposing an agreement or order, and much of the responsibility for putting it into effect and making it work well, rest with industry groups. The Secretary of Agriculture is charged with holding hearings, conducting a referendum and making sure that a proposed agreement or order is drawn up and administered in conformity with law. For fluid milk orders, the role of government is somewhat greater.

Agreements and orders are truly a form of group action on the part of farm producers coordinated and supervised by government.

For these three reasons, agreements and orders may be turned to more often to help in meeting marketing problems. Their record of performance as used in the past commends attention to them. But again, marketing agreements and orders are not a stereotype. Their form of use to date may not be the best clue as to what they can do for marketing in the future.

Agreements and orders are a flexible, adaptable tool, one of cooperative nature, that can be drawn on wherever it can contribute to orderliness in marketing farm products. As orderliness is just what the marketing system is calling for, ever more loudly, it is likely that more producer groups will enlist that tool as a worthwhile aid.

# Here's Protection For Livestock Sellers

*When you sell your livestock to a dealer or market agency and don't get the money due you—your losses may be covered.*

*By W. L. Holston*

**T**ODAY—AS NEVER BEFORE in history—U.S. agriculture is “big business.”

Last year, for example, the Nation's livestock and poultry industry marketed more than \$13 billion worth of livestock and live poultry. But as big an industry as it is, it's one that's made up of such varied operations as the commercial feedlot which may feed a hundred thousand head of cattle a year and also the rancher who feeds only 25 to 50 head; the commercial “broiler” factory whose flocks number into the hundreds of thousands and the farmer who sells an occasional load of laying hens.

But regardless of the size of the operation, all of the operators have one thing in common—there is always a certain element of financial risk involved in the marketing of the product.

For 45 years, the U.S. Department of Agriculture—through its enforcement of the bonding provisions of the Packers and Stockyards Act—has been trying to eliminate as much of that risk as possible.

In simplest terms, P&S Act bonding amounts to an “insurance” policy which must be carried by all livestock dealers and market agencies handling livestock on a consignment basis in interstate commerce. The bond provides a certain measure of insurance that the producer will get at least a part of the money coming to him if the handler, for some reason, fails to pay him for livestock sold on consignment.

What does this mean to the livestock producer?

Let's look at just a couple of examples from the files of the Packers and Stockyards Division of USDA's Consumer and Marketing Service.

Not too long ago, a relatively small auction market in one of the Southeastern States found itself with insufficient funds to pay for livestock sold on consignment. About 100 livestock producers stood a chance of losing a total of more than \$17,000 in sales proceeds.

One of the sellers was an elderly woman—we'll call her Mrs. White—who had consigned a small Jersey cow to the market. She had sold the cow to get money to make an installment payment on a much-needed washing machine. The \$76.75 she had coming wasn't very much, compared to the possible total losses of \$17,000 by all the consignors, but to Mrs. White the money represented the only thing between her and the loss of her washing machine.

She had received a check for the sale of her cow, but it was returned because of insufficient funds in the auction market's bank account. Upon arriving at the market to try having the check made good, she found a member of the P&S Division auditing the market's books. She told him about her situation. A livestock dealer in the office at the same time inquiring about some money due him listened to her story, too.

The P&S man explained to both Mrs. White and the livestock dealer that

the market was adequately bonded to cover their losses, and that they would receive their money as soon as the bonding company made a settlement. Unfortunately, the settlement would take time, and the money would not be paid in time for Mrs. White to make the next payment due on her washing machine.

The livestock dealer, convinced by the P&S man that the auction market was adequately bonded, agreed to lend Mrs. White the \$76.75 due from the sale of her cow—until the bonding company made payment.

Mrs. White, the livestock dealer, and all of the consignors eventually received all of the money due them.

In another instance—again involving a relatively small market—about 100 producers were faced with the possible loss of more than \$30,000 when the market was unable to pay. Most of the producers were “small operators” depending on local credit sources to finance their farm operations.

When the P&S Division determined that the auction market was adequately

*The author is Officer-in-Charge of the P&S Division's Memphis Area Office, C&MS, USDA.*

bonded to meet its obligations, most of the banks, farm supply firms, and other creditors were willing to go along with the producers until the bonding company paid them.

One young farmer had consigned a load of livestock which was mortgaged to the local bank. On the basis of the market's adequate bond coverage, the bank extended his note until a settlement was made—possibly saving him from financial ruin.

At present, livestock dealers, market agencies, and handlers carry approximately \$175 million worth of bonding “insurance.” Its protection extends not only to the livestock or poultry producer, but also to the entire agribusiness community as well. The smaller rural communities, in particular, whose welfare is tied to the success or failure of local producers, would be constantly plagued with money problems were it not for P&S Act bonding protection. It's good “insurance” for the producer, the merchant, the local bank or other lenders—the community as a whole.

P&S Act bonding can, and does, cover many of the losses which might hit the livestock producer. However, there are times when a market or dealer may owe more than his bond will cover. The P&S Division insists that bond coverage is no substitute for good “horse sense” when it comes to livestock marketing.

# marketing aids for cotton farmers

*Cotton farmers can learn what quality their cotton is and the price it's bringing.*

By Ben Franklin

THERE'S A WORLD of difference between the modern farmer and his counterpart of a century ago. Today, a farmer must be part businessman, part researcher, part scientist—and part marketer, in addition to being a tiller of the soil. He must draw on vast sources of information, provided by colleges, government and business, to be successful in the highly competitive agri-business community.

One type of information which is indispensable to today's cotton farmer is provided by the U.S. Department of Agriculture under the Smith-Doxey Act.

This law, passed in 1937 as an amendment to the Cotton Statistics and Estimates Act, provides for two valuable marketing aids to producers—classing of the farmer's cotton and a complete market news service on cotton.

Most of the cotton produced in this country is classed by USDA's Consumer and Marketing Service under the authority of this law. Cotton producers who are members of Smith-Doxey Cotton Improvement Groups receive this service.

This classing service provides the cotton farmer with two valuable pieces of information: the relative quality of his cotton and, from this, its value in

the market place and in the Federal price support program.

Cotton classing provides the farmer with information on the three basic quality factors essential in today's cotton marketing: grade, staple length, and fiber fineness.

The grade is based on:

1. The color—the brightness, dullness, or discoloration of the cotton.
2. Foreign matter such as leaf, trash, dirt, etc.
3. Preparation—the degree of smoothness or roughness of the ginned cotton.

Grade then, is important in determining the quality and color of the finished cloth or yarn.

Staple length of cotton is the average length of cotton fibers in a particular sample of cotton. Length of cotton fibers is an important factor in the spinning of cotton, with the longer fiber lengths making the best grade of cloth.

Fiber fineness—or measurement of the breadth of the individual fiber—is determined by means of an air-flow instrument and is identified by a micronaire reading ("mike"). This measurement shows the relative maturity of the cotton fibers and is also vital information in the spinning of cotton.

Knowledge of these factors not only

helps the farmer sell his cotton; it also helps him interpret cotton market news reports—another service provided under the Smith-Doxey Act.

Market news reports—information on prices, supply, demand, and quality—are distributed by C&MS throughout the marketing season, by means of newspapers, radio and television, and through printed reports mailed directly to farmers and other segments of the cotton industry.

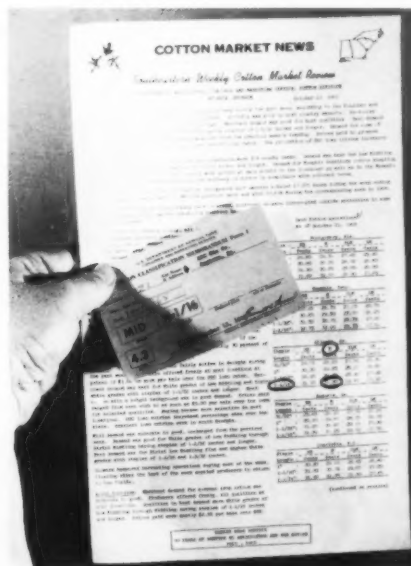
These reports identify prices for the various qualities of cotton. Thus, armed

*The author is Chief, Marketing Programs Branch, Cotton Division, C&SM, USDA.*

with the knowledge of the quality of his cotton and with the most current market news report, the cotton producer is prepared to market his cotton. He knows about what his cotton should bring on the market—and is in a better bargaining position than if he had to depend on the quality judgment of the buyer.

Smith-Doxey cotton classification and market news are two more of the indispensable modern marketing aids provided to America's producers by USDA's Consumer and Marketing Service.

*Armed with the small card telling him the quality of his cotton, this farmer has encircled on his market news report the price being paid for that quality in Atlanta.*



# CONSUMER AND MARKETING BRIEFS

*Selected short items on C&MS activities in consumer protection, marketing services, market regulation, and consumer food programs.*

## C&MS REVIEWS POULTRY GRADING OPERATIONS

How do you know that U.S. Grade A poultry means the same thing in New York as it does in California? This is a problem constantly before officials of the Consumer and Marketing Service, the agency responsible for all USDA food grading programs.

Here's one way the Poultry Division of C&MS works to assure consumers of nation-wide uniformity in poultry grading:

Federal-State supervisors in major broiler producing States are currently reviewing poultry grading operations in other States. For example, the Federal-State supervisor in Maryland recently reviewed grading operations in Georgia, and the Supervisor in Alabama spent a week in Arkansas. Poultry Division says the results of the surveys have been very favorable. The supervisors reported that the graders were applying standards in their States in the same way as in the States they visited.

## STATE PRODUCTS GO INTERNATIONAL

State departments of agriculture and other official State groups get a chance to show off their products to the world this year at the International Exhibition of Groceries and Fine Foods (IKOFA) in Munich, West Germany, September 17 to 25. This opportunity was offered in an invitation by Secretary of Agriculture Orville L. Freeman to join in the exhibition. Nine States—New York, Pennsylvania, New Jersey, Maine, Nebraska, Illinois, Michigan, Louisiana and Minnesota—plan to participate.

USDA's Foreign Agricultural Service is providing space on a rental basis for individual State booths in the U.S. exhibit at the fair.

George H. Goldsborough, Director

of the Consumer and Marketing Service's Matching Fund Program, said that States are showing increased interest in agricultural export promotion. Funds provided under the Matching Fund Program helped several States to develop their export potential through the assignment of State personnel to assist and counsel local marketing firms and groups interested in entering foreign markets.

## WEST VIRGINIA F&V INSPECTORS GET "NEW LOOK"

West Virginia has just become the first State to issue uniforms for its year-round inspectors of fresh fruits and vegetables.

The State cooperates with the Consumer and Marketing Service of the U.S. Department of Agriculture in furnishing voluntary Federal-State inspection service to packers, shippers, and receivers of fresh produce.

The new uniform consists of dark blue jacket and trousers, and a sky-blue shirt with black tie. A badge to denote Federal-State inspection is worn when the inspector is inspecting fresh produce under the cooperative agreement. He also wears a conspicuous name plate.

The uniform enables anyone who walks into a packing plant or cold storage to immediately identify the inspector from all others working in the plant.

## FOOD STAMP NEWS

In Pleasant Hill (Contra Costa County), California, a Food Stamp participant mailed her "authorization to purchase" card, her identification card, and her personal check to the issuing bank, with the request that her coupons be returned by mail. The C&MS representative picked up the coupons from the bank, and personally delivered them to

the participant. It turned out that she and her husband are both blind, and cannot always get a proxy to purchase the coupons for them. The C&MS man made arrangements for future coupon purchases, so that their handicap will not prevent their participation in the Food Stamp Program.

## U.S. POULTRY TRAVELS

American poultry is gaining wider acceptance in foreign countries. Recent reports indicate that poultry exported from the United States jumped from 45 million pounds in 1956 to 198 million pounds in 1965. All of this poultry was examined by USDA's Consumer and Marketing Service poultry inspectors, in accordance with regulations under the Poultry Products Inspection Act. The law requires that all poultry moving in interstate or foreign commerce be officially certified as wholesome.

\* \* \*

Here's a new "cool" way to export poultry to other countries—in refrigerated container vans. The first such vans arrived recently in Hamburg, Germany. Loaded and sealed at a processing plant operating under Consumer and Marketing Service inspection, the refrigerated shipment was not opened until it arrived in Hamburg and was found to be in excellent condition. This shipping method, being conducted on an experimental basis, helps prevent pilferage and deterioration of poultry quality through temperature changes that may occur during loading and unloading. The container vans have their own refrigeration units, which operate on propane gas when transported on land and on electricity aboard ship. They are 35 feet long, 8 feet wide, 8 feet high, and can hold approximately 30,000 pounds of poultry. Another refrigerated shipment of poultry is scheduled to leave from a North Carolina plant shortly for Milan, Italy.



## FIRST SELF-SERVICE COMMODITY DISTRIBUTION IN THE SOUTHEAST

Kemper and Copiah Counties, Mississippi, are the first in the Southeast to institute self-service at the commodity distribution centers for low-income families. This method allows those eligible for food donations from the U.S. Department of Agriculture's Consumer and Marketing Service to select personally the foods from the shelves.

This operation is easily organized, and more orderly and faster moving than the usual method of distribution, under which attendants assemble each "order" for the recipient. Perhaps more important, though, is the changed attitude of the recipients. Instead of the resigned acceptance of a handout, self-service, which implies confidence in the recipients' understanding and integrity, has given an added measure of dignity and self-respect to the needy.

As the recipient enters, he shows his eligibility card to an official, then takes a shopping cart like those commonly used in retail stores. As he walks by the commodity shelves, he fills his cart with the amount of each commodity to which he is entitled or wants. A poster above each commodity shows the maximum number of units of the item a family may get (depending on the number of persons in the family). An attendant is there to help those who cannot read or count. At the exit a checker makes a list of the items each person has taken, double checking to make sure the account is accurate, and dates the list. The recipient signs to acknowledge receipt, then leaves with his food.

## SCHOOL LUNCH TRAINING PROGRAM USES EDUCATIONAL TV

In Maine, educational TV has been used to train school lunch managers and supervisors. A 10-week course (3/4 of an hour each week) for institutional and industrial lunchroom personnel was telecast from a Durham, New Hampshire station. The course was prepared by the Management Center, College of St. Thomas, St. Paul, Minnesota in cooperation with the Industrial Relations Center, University of Chicago. The State school lunch supervisor reports

that the material is excellent and very applicable to school lunch personnel. She has planned a two-day summer workshop as a follow-up. North Carolina is also using educational TV to train school lunch employees.

## PLENTIFUL FOODS FOR AUGUST

August, when summer's on the wane and vacation days will soon be but a memory, will provide housewives with plentiful foods suited to outdoor and "Sandwich Month" eating.

The Consumer and Marketing Service's list for August shoppers features plums. Other plentifuls include Bartlett pears, fresh seasonal vegetables and potatoes, turkeys and peanut butter.

The plum crop is a fifth larger than the recent five-year average, and prices are expected to be favorable for the family food budget. Production of Bartlett pears in Western States (mainly California) is expected to be a record.

Many seasonal vegetables will be abundant, coming from numerous commercial growing areas and nearby market gardens. Thrifty housewives may want to can some of them. Potatoes are expected to be in heavy supply as late summer production becomes available. In fact, the crop will probably exceed that of a year ago.

August marketings of turkeys are expected to run about 6% ahead of a year ago. The industry is again featuring Summer Turkey Time.

Peanut butter, from last year's recordbreaking crop, is also abundant.

## FRENCH FRY STANDARDS REVISED

Revised U.S. standards for grades of frozen french fried potatoes became effective July 1.

The standards are used by USDA's Consumer and Marketing Service in official grading services. They are also used by processors as a guide for product quality control and as a basis for sales transactions.

Among other changes, the revision calls for a general reduction in the amounts of defective pieces permitted in all grades and most styles of french fries.

## MEAT TIPS

—from meat inspectors  
of USDA's Consumer  
and Marketing Service

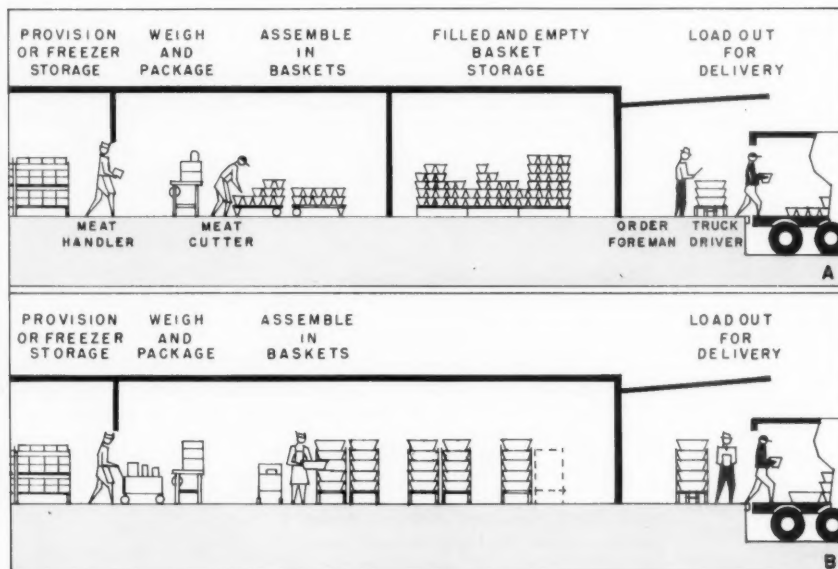
New packaging materials for federally inspected meat products must be approved by USDA meat inspectors before use. A meat firm recently submitted a netting intended for use on boneless lamb cuts. Meat inspectors said the netting was chemically acceptable for use in handling the product, but that it could not remain on the product during baking or broiling. The meat inspection service felt a rubber component of the netting was inadequately covered, and therefore was not suitable for direct heat. A warning to this effect was required to be placed on the label of products covered with this type netting.

\* \* \*

Labels of all imported meat products—as well as those of meat products in interstate commerce—must be approved by USDA meat inspectors to protect the consumer from possible deception. One European country recently submitted a label for "Chopped Ham with Pork" which was rejected because it contained potato starch. USDA feels that the consumer would expect a product labeled as "Chopped Ham and Pork" to contain only ham and pork—without any extenders such as potato starch.

\* \* \*

Some consumers prefer tenderized meat when shopping for their families. In keeping with this consumer demand, meat inspectors in USDA's Consumer and Marketing Service permit approved enzyme solutions to be used as tenderizers on Federally-inspected meats when the meat is labeled as having received such treatment. These tenderizers DO NOT affect human health, C&MS said, but can affect quality. To protect the consumers, the inspectors check the enzyme solutions to assure they are effective and that advertised claims are accurate.



## USDA tests show promising ways to Cut Custom Meat Order Costs

By C. F. Brasington, Jr.

EATING AWAY FROM home is a regular part of living for more Americans: We spend more than \$20 billion a year for meals and snacks at restaurants, lunch counters, schools, and other institutions.

Eating establishments are a growing market for farmers but, if this market is to reach its potential, new or better ways must be found to hold down costs incurred in the long journey that food takes from farm to table. Marketing costs already represent some three-fourths of the price the customer sees on the restaurant menu; part of any increases would also come out of the consumer's wallet.

Some promising ways to hold down meat costs, the most expensive item on the menu, have been tested by the U.S. Department of Agriculture and cooperating companies that supply meat to restaurants and hotels. Dealers who employ the complete system developed in the study by USDA's Agricultural Research Service could save nearly \$12,000 annually. These savings would be achieved partly by better layouts, handling methods, and equipment that could reduce labor requirements. Labor for loading customer orders was reduced from 5 percent to 2 percent of the total labor bill.

The first, and key step in the improved system is to mark delivery routes and container numbers for orders on in-

voices before—rather than after—orders are assembled.

This eliminates rehandling of the orders between assembly and loading in delivery trucks. In contrast, workers who use conventional methods would rehandle each order two or more times.

Improved equipment tested in the study also reduces order handling. For example, 20 delivery containers can be

*The author is an industrial engineer with TFRD, ARS, USDA, at Stillwater, Okla.*

loaded on a skid with four racks similar to those some dealers have on loin rack skids. Skids used by custom meat suppliers are usually loaded with only 10 containers.

The next step in this linked system of improvements in the assembly area of the plant is to assign two skids for every delivery route. Several sets of these skids would enable workers to assemble orders for three or more routes simultaneously. Loaded skids could then be taken directly to delivery trucks instead of to a holding area where orders are normally divided among delivery routes, a step already accomplished during assembly in the improved system.

Improvements tested in the ARS study could be easily learned by workers

because most of the recommendations employ familiar techniques. Meat cutters, the higher paid employees, would spend a greater portion of their time on high-skill work and a minimum of time on unskilled tasks.

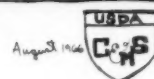
Complete layouts, equipment and labor requirements for the recommended handling system have been developed for firms that have an annual volume of about 2.6 million pounds of meat. An alternate system has also been prepared for meat suppliers whose plants would not be adaptable to the recommended system.

In addition, the recommended system is presented on a larger scale—for a volume of about 4 million pounds of meat annually. This represents a 50 percent expansion, and could be achieved with only a 14 percent enlargement of the original layout.

Researchers also studied efficient methods for handling and storing meat when it arrives at the plant, preparing meat cuts for customers, and weighing, packaging, and labeling the meat. Details are given in Marketing Research Report No. 747, "Hotel and Restaurant Meat Purveyors—Improved Methods and Facilities for Custom Service Houses." Free copies are available from Office of Information, U.S. Department of Agriculture, Washington, D.C. 20250.



U.S. DEPARTMENT OF AGRICULTURE -- CONSUMER AND MARKETING SERVICE



This comic strip is one of a number of visual materials being developed and tested to more effectively reach low-income families eligible for the Food Stamp Program. It is being released as a single-sheet flyer and as a poster. Photo prints and mats are available.

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# Poultry Inspection: A Big Job Gets Bigger

By LaVanus Sanders

**L**AST YEAR, U.S. DEPARTMENT OF Agriculture inspectors examined nearly ten billion pounds of poultry in this country.

Poultry inspection, a responsibility of USDA's Consumer and Marketing Service, is, indeed, a monumental job in this country and an important one, too. A Nation of nearly 200 million people is dependent on a hard-working, highly trained corps of C&MS poultry inspectors who see to it that the poultry we buy

*The author is Chief of the Inspection Branch, Poultry Division, C&MS, USDA.*

and eat is wholesome and safe for human consumption.

Poultry inspection in the United States is not a recent innovation. Nor has it always been mandatory.

Government inspection of chickens, turkeys, and other poultry started on a voluntary basis in 1927. Poultry processing plants wanting the service paid a fee for it. Although the program was voluntary, it proved quite successful with more than 300 plants signing up for the service.

Through the next several decades the poultry industry grew rapidly. By the 1950's it had become "big business." As a result, the Poultry Products Inspection Act came into being. The Act, which went into effect on January 1, 1959, called for mandatory inspection of poultry for wholesomeness in poultry processing plants doing business in interstate or foreign commerce.

Poultry that has been officially in-

spected—whether it be chicken, turkey, duck, goose, or guinea—carries the official USDA round inspection mark on the package, wing tag, giblet wrap, or package insert.

The inspection mark assures:

• Individual examination of each bird by a USDA inspector.

• Sanitary processing in an approved plant.

• Freedom from adulteration.

• Truthful and informative labeling.

The importance of poultry inspection strikes even closer to home when you stop and realize that Americans are eating more poultry today than ever before. In 1948, for example, the per capita consumption of poultry was 21.4 pounds. By 1956 that figure rose to 29.6 pounds. On a per capita basis last year, Americans ate nearly 41 pounds of poultry—33.4 pounds of chicken and 7.4 pounds of turkey. An upward trend is expected to continue.

This increase in poultry consumption will place even greater responsibilities on the poultry inspection program.

The high standards already set in the United States for poultry inspection are being copied in other countries. Before any country can export poultry and poultry products into this country their poultry inspection system must be substantially equivalent to the system maintained in the United States.

Poultry inspection has aided in revolutionizing the poultry industry. The grower is producing healthier birds, the processor is maintaining higher standards in plant operation, and the retailer is

selling a rapidly growing volume of poultry and poultry products.

Everyone benefits from Federal poultry inspection. Of course, the person who benefits most is the American consumer who can buy poultry with confidence that he is getting wholesome products, prepared in sanitary surroundings, and truthfully labeled.

Poultry inspection has come a long way since the pre-Depression days of the late twenties. But it will progress even farther in coming years as the poultry industry continues to grow and the American people continue to develop an ever-increasing appetite for the growing variety of poultry products.





